

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1978-01
Bill No.: SB 637
Subject: Education, Elementary and Secondary; Elementary and Secondary Education
Dept; Children and Minors
Type: Original
Date: March 11, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** indicated that this proposal would have no fiscal impact on their agency or on school districts.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

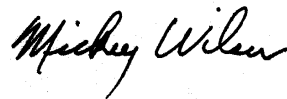
According to current statute, a school district that has achieved provisional accreditation after having been declared unaccredited has no limit on the amount of time it may remain provisionally accredited. This proposal requires the State Board of Education to place a cap of no less than one and no more than two full school years on such districts to regain full accreditation or face lapse of district corporate structure.

The proposal also makes changes to the hearing that is required to be held in a district after it is declared unaccredited, by stating that the hearing must be held at least 60 days prior to the date of lapse. A special administrative board, which may be appointed by the State Board of Education to monitor unaccredited districts, is also given standing to enjoin school board actions that might result in waste of assets. The State Board of Education is given the option of permitting a lapsed district to continue to operate under its existing governance structure pursuant to terms and conditions the board establishes.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education



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MARCH 11, 2003